



REDEVELOPMENT AGENCY

STAFF REPORT

HOUSING SERVICES PROVIDED BY OUTSIDE AGENCIES

Honorable Chair and Agency Members:

At the City Council's budget review on May 25, 2004, the Council instructed staff to redirect requests for funds for affordable housing programs to the Agency's Low and Moderate Income (LMI) Housing Fund. This memo discusses the specific funding requests for the upcoming fiscal year and provides a means for the Board to determine the funding levels for such requests. A public hearing has not been noticed for this item and none is required.

Discussion

In past years, local community groups which provide housing assistance to Belmont residents have sought the City's financial support via the Community Group Funding process. In the last few years, the Council has funded these groups with LMI money on an annual basis. Since these programs are typically on-going housing support activities rather than one-time projects, the Council has directed staff to budget for these activities in Fiscal Year 2004-05 as on-going expenditures within the LMI budget.

In the Community Group funding memo presented to the City Council on May 25th, two organizations were identified as being housing related – HIP Housing and Shelter Network. These groups would be eligible for on-going funding under the LMI budget. Since the Council meeting, a third community group seeking funding – CALL Primrose Center – has indicated that they also provide housing assistance to Belmont residents. (Letters from all three organizations are attached to this memo.)

Based on the Council's direction regarding housing-based service organizations, staff believes that these three groups qualify for funding from the LMI fund. If funding is approved by the Board, we propose using professional services agreements (PSA's) to contract with these private agencies, much as we use for other on-going support services, such as tree protection, geotechnical investigations and building plan check. The PSA's would contain descriptions of the services to be performed so that we maintain control over the activities being funded. They would typically be set for a three-year term (to reduce administrative costs), but subject to annual funding so that the Board can decide each year how much, if any, it will spend on these services.

The chart below shows the funding levels requested for the upcoming year by the three housing support organizations, the actual funding provided by the City in the current year and staff's recommendation for FY 05. Our recommendation is to fund these activities at the same level as the current year:

Organization	Request – FY 05	Actual – FY 04	Proposed – FY 05
HIP Housing	\$20,000	\$15,000	\$15,000
Shelter Network	10,000	8,500	8,500
CALL Primrose Center	<u>2,500</u>	<u>1,906</u>	<u>1,906</u>
TOTAL	\$32,500	\$25,406	\$25,406

Financial Impact

Based on the Board's direction, funds for any authorized housing services will be shown incorporated into the FY 2004-05 budget, in the LMI Administration "Other Professional and Technical" account (No. 822-4633-8351). An amount of \$20,000 was included in the FY 04-05 proposed budget. Prior to finalizing the budget, an additional \$5,406 will be added to supplement this appropriation request.

Recommendation

Staff recommends the Agency include expenditures in the LMI supplies and services fund for Fiscal Year 04-05 at the same level as provide in FY 03-04, and authorize the City Manager to execute professional service agreements for housing-related services with three housing service organizations, based on the attached letters.

Attachments

1. Letters from HIP Housing, Shelter Network and CALL Primrose Center

Respectfully submitted,

Craig A. Ewing, AICP
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